



July 24, 2007

The Honorable Charles Rangel
Chairman
Committee on Ways and Means

Dear Chairman Rangel:

The National Association of Social Workers (NASW), the largest professional social work organization in the world with 150,000 members nationwide, expresses our strong support for legislative language within the proposed Children's Health and Medicare Protection (CHAMP) Act that would partially restore Medicare payment levels for clinical social worker and psychologist services that were cut in January, 2007. This provision will help restore payments for mental health treatment to Medicare beneficiaries that were cut by 9 percent due to the application of the 5-year review rule. CMS's 5-year review rule was well-intended, but it will have devastating consequences for Medicare mental health services, if its effects are not mitigated in this legislation. Under this rule, payments for Medicare physician evaluation and management (E&M) services were increased to more appropriate rates. However, in order to increase these payments and retain budget neutrality required in this rulemaking, CMS reduced other provider reimbursements across the board through a reduction in work relative value units.

Your legislation is important because it will help maintain the viability of the Medicare outpatient mental health benefit. Due to the recent cut, many clinical social workers and psychologists have been reducing or ending their Medicare caseloads. The increase in the psychotherapy payments in your legislation will go a long way toward mitigating this damage.

Medicare beneficiaries already confront significant barriers to accessing mental health treatment. Most problematic among these is the discriminatory 50% co-insurance associated with psychotherapy services, compared with the 20% required for almost all other Medicare services.

NASW is also pleased the legislation includes language that restores the ability of social workers to independently bill for nursing home facilities. A 1996 report from the DHHS Inspector General entitled, "Mental Health Services in Nursing Facilities," found that 70% of the respondents believed there was a beneficial effect on the provision of mental health services in skilled nursing facilities by permitting clinical social workers and clinical psychologists to bill Medicare independently.

NASW deeply appreciates your commitment to the mental health of seniors and persons with disabilities in the Medicare program, and we look forward to working with you to pass this vital legislation.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth J. Clark".

Elizabeth J. Clark, PhD, ACSW, MPH
Executive Director, National Association of Social Workers